

**Before the State of South Carolina
Department of Insurance**

In the matter of:

John A. Galloway, d.b.a. Jag Bail Bonding
P.O. Box 5883
Anderson, SC 29623

SCDOI File Number 127250(06-463)

**Order Revoking
Producer, Bondsman and Agency's
Licensing Privileges**

This matter comes before me pursuant to a Letter of Allegation and Notice of Opportunity for Public Hearing served, as required within SC Code Ann. § 38-3-170 (Supp. 2005), by the State of South Carolina Department of Insurance upon the above named respondent, a licensed South Carolina resident insurance producer and surety bail bondsman, by both certified mail, return receipt requested, and by regular mail on or about March 2, 2006.

That letter informed Mr. Galloway of his right to request a public hearing upon the allegations of impropriety contained within the letters against him. The letter further warned that his failure to make a timely, written request would result in my summary revocation of his license to do business as a resident producer/surety bail bonds agent within the State of South Carolina. On March 8, 2006, the respondent filed for a public hearing before the Administrative Law Court. However, Mr. Galloway failed to file a Prehearing Statement as ordered. The Honorable Judge John Geathers found him in default, and issued an Order of Dismissal dated May 31, 2006. Subsequently, the respondent, through his attorney Scott Robinson, on June 8, 2006, submitted a letter to the Court, requesting that the Order of Dismissal be vacated and the case reopened. Judge Geathers denied his motion for reconsideration, on June 28, 2006. Accordingly, counsel for the Department requested the revocation of Mr. Galloway's licensing privileges, and submitted the entire matter directly to me for my summary decision based solely on the record.

The Department's letter alleged, and I now find as fact, that while licensed to do business as a resident producer bail bondsman within the State of South Carolina, John A. Galloway was convicted of the crime of filing a false insurance claim in excess of \$5,000, a crime which is both a Class E felony, an act of insurance fraud (See SC Code Ann. Section 38-55-170(1)(2002) and a crime of moral turpitude in South Carolina. This act, as alleged, is a direct violation of SC Code Ann. § 38-43-130 (Supp. 2005). That Code section provides that "the Director or his designee may revoke an agent's license after ten day's notice...when it appears that an agent...has willfully deceived or dealt unjustly with the citizens of this State." This Code section goes on in Subsection (C)(6) to include "having been convicted of a felony." Similarly, §38-43-247(B) notes: "failure to report any criminal prosecution taken in any jurisdiction."

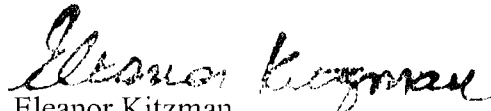
In accordance with my findings of fact, and considering the Administrative Law Court's decision to dismiss Mr. Galloway's appeal, I now conclude, as a matter of law, that he willfully deceived and dealt unjustly with the citizens of South Carolina, thereby violating SC Code Ann. § 38-43-130(C)(6), and §38-43-247(B) (Supp. 2005), and that his licensing privileges should be revoked.

This administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2005). Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report." SC Code Ann. § 38-3-110 (4) (Supp. 2005).

It is therefore ordered that John A. Galloway's license to transact business as a resident producer/ surety bailbondsman, as well as that of his Agency, Jag Bail Bonding's be, and are hereby, revoked, and that no license, issued through the State of South Carolina's Department of Insurance is to be issued to him.

It is further ordered that a copy of this Order be transmitted to the National Association of Insurance Commissioners for distribution to its current member states and to each insurer for which the respondent is currently licensed, through the State of South Carolina Department of Insurance, as a resident insurance producer/ surety bail bonds agent within the State of South Carolina.

This order becomes effective as of the date of my signature below.


Eleanor Kitzman
Director

July 7, 2006, at
Columbia, South Carolina